

# **Kansas Racing and Gaming Commission**



**Annual Report**  
**2002-2003**

**MISSION STATEMENT  
OF THE  
KANSAS RACING AND GAMING COMMISSION**

The multimillion dollar racing and gaming industries provide far reaching economic benefits for Kansans. The Kansas Racing and Gaming Commission is dedicated to protect the integrity of these industries through enforcement of Kansas laws and is committed to preserving and instilling public trust and confidence.



# KANSAS

KANSAS RACING AND GAMING COMMISSION

KATHLEEN SEBELIUS, GOVERNOR

January 30, 2004

The Honorable Kathleen Sebelius  
Governor, State of Kansas  
Statehouse, Room 212S  
Topeka, Kansas 66612-1590

Dear Governor Sebelius:

This is the 2002/2003 Annual Report of the Kansas Racing and Gaming Commission. The report is a narrative and statistical summary of the regulatory responsibilities of the Commission for fiscal year 2002/2003.

Currently, the Woodlands and Wichita Greyhound Park (WGP) are open year round and provide live greyhound racing. During 2003, the Woodlands offered 250 days of live greyhound racing with 321 live racing performances and 4,733 races. WGP offered 239 days of live greyhound racing with 286 live performances and 4,693 races. In addition, the Woodlands offered 30 days of horse racing during September, October, and November 2003. This is the longest live horse race meet since 1995. Since closing in November 2000, Camptown Greyhound Park, located in Frontenac, Kansas, has not had any racing activity. After showing a resurgence in 2002, total handle wagered on live and simulcast racing has decreased in 2003. The industry continues to look for ways to increase the wagering activity at the racetracks.

The parimutuel industry faced several challenges in 2003. Due to the outbreak of a severe strain of kennel cough on the East Coast, the racetracks in Kansas were placed under quarantine by the Commission in mid-April. This kennel cough outbreak was severe enough that it closed down several racetracks across the country for a significant period of time. The Commission was concerned that closing down a racetrack in Kansas at this time would be detrimental to kennel owners and trainers operating at Kansas tracks. The quarantine, which was in effect until mid-June, restricted the movement of greyhounds coming into the state and limited the ability of kennel owners to bring fresh greyhounds to the Woodlands and WGP. The Kansas tracks did not lose any live racing days due to the illness. Then, on July 10, 2003, WGP was hit by a severe storm which caused extensive damage to the racetrack facility. Live greyhound

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The Honorable Kathleen Sebelius

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January 30, 2004


racing was canceled for three weeks due to damage sustained by the track. Simulcast wagering continued at WGP, which allowed the racetrack and the kennels operating there to stay afloat until the necessary repairs were completed. Once the repairs were made, the racetrack reopened for live greyhound racing on August 1.


Although parimutuel handle as a whole was down in 2003, there were some bright spots. Live handle for the horse meet at the Woodlands increased approximately 20 percent. In addition, live handle for the year at the Woodlands increased approximately 9 percent. For the second year, the Woodlands provided their races to other racetracks across the country through simulcasting. This program continues to show growth. Both the horse and greyhound outbound parimutuel handle in 2003 increased dramatically over 2002. This led to increased parimutuel pools for live racing at the Woodlands.

In addition to the Woodlands and WGP, Eureka Downs and Anthony Downs operated fair meets in 2003. Eureka Downs, located in Eureka, Kansas, offered 20 days of live horse racing beginning the first weekend in May through the 4<sup>th</sup> of July. Anthony Downs, located in Anthony, Kansas, offered 6 days of live horse and greyhound racing in July. Although limited in scope, these fair meets were significant additions to the communities where they were held. They provided another opportunity for horses and greyhounds to run within the State of Kansas.

The industry continues to move forward, despite the many challenges it faces. The Commission will continue to do all that is possible, within its authority, to assist the racing community and to ensure the integrity of parimutuel racing in Kansas. The Commission looks forward to working with you and your staff, the Legislature, and other state agencies in carrying out its responsibilities.

Respectfully,

  
Gene M. Olander, Chair  
Kansas Racing and Gaming Commission

  
Tracy T. Diel, Executive Director  
Kansas Racing and Gaming Commission



# KANSAS

KANSAS STATE GAMING AGENCY  
JOHN McELROY, EXECUTIVE DIRECTOR

KATHLEEN SEBELIUS, GOVERNOR

January 18, 2004

Honorable Kathleen Sebelius  
Governor of Kansas  
Statehouse  
Topeka, Kansas 66612

Dear Governor Sebelius:

In 1995, the Iowa Tribe of Kansas and Nebraska, the Prairie Band Potawatomi Nation of Kansas, the Kickapoo Tribe, and the Sac and Fox Nation of Missouri in Kansas each signed a Tribal State Compact with the State of Kansas. By 1998, each had opened its own casino in Kansas. Each of the casinos continues to operate today. Each is regulated by a Tribal Gaming Commission. The gaming activities of each are monitored by the Kansas State Gaming Agency. According to KSA 74-9805, the Agency has jurisdiction over gaming activities conducted pursuant to a Tribal State Compact. The Agency has jurisdiction over no other types of gambling, legal or illegal.

The Kansas State Gaming Agency is responsible for conducting background investigations on all employees connected with the gaming operations at each casino. The Agency is also responsible for conducting background investigations on all vendors who do more than \$10,000 per year in business with a casino in Kansas. The Agency does original background investigations as well as addenda, upgrades and renewals of investigations which have been done in the past. In FY 2003, the tribes submitted 799 background investigation requests of all types to the Agency. Currently, background investigations of all types are being completed in an average time of less than 40 days.

Licensing of gaming employees and vendors is done entirely by the Tribal Gaming Commissions. The Agency can and does occasionally object to particular applicants. Tribal Gaming Commissions can proceed with licensing in spite of objections in which case the Agency must resort to arbitration if it finds sufficient grounds.

Key employee investigations, vendor, and tribal gaming inspector investigations are completed by enforcement agents. Frequently these investigations involve travel out of state. Vendors typically pay the expenses of the Agency for their background investigations. All other gaming employee (dealers, security, surveillance, hard and soft count, cage, slot techs) investigations are completed by special investigators who are not sworn law enforcement

officers. The four casinos and commissions currently have 1860 casino employees and 39 tribal gaming inspectors. The Agency contributes varying amounts of background information on each.

Nine enforcement agents, sworn law enforcement officers, conduct inspections and monitor gaming activity at the four casinos. Currently there are 2556 electronic gaming devices (slot machines). There were approximately 2100 in FY 1999. There are currently 67 table games (blackjack, poker, craps and roulette) at the four casinos in Kansas. In FY 1999, there were 76 table games.

For the past several years, the Agency shared an executive director with the Kansas Racing Commission. Since April, 2003, the Agency has had a full time executive director.

Enforcement agents of the Agency have investigated several criminal cases in 2003. One case involves an employee who allegedly possessed unauthorized computer files from a previous gaming employer. Another involved the theft of an empty cash container allegedly by a patron. In one case a patron attempted to use counterfeit bills in a slot machine. The final case involved two out of state patrons who are alleged to have attempted to cheat a slot machine. In each of these cases, at least one person was apprehended and charged. Another case involving false statements is awaiting a decision by the Attorney General. Only the counterfeit money case has been concluded.

Late in FY 2003, the Agency upgraded its computer system to a server based network connected to high speed internet access. Each employee now has access to the internet as well as access to email. Email is now regularly used to transmit information to and from employees. In addition, now the Agency backs up its data files each evening. The system includes battery backup which guards against loss of data during an electrical power failure. This purchase will greatly increase the efficiency of the Agency.

The operating budget for the Agency in FY 1999 was \$1,366,000. Six years later, in FY 2005, the operating budget proposal for the Agency is \$1,576,197, an increase of \$210,197 which is an increase of just over 15% over six years. Salaries compose about 75% of the Agency's budget. In FY 1999, there were 20 employees in the Agency. In FY 2004, there are 21. One enforcement agent position has been added in the past five years. The Agency is asking for the addition of a full time lawyer for FY2005. There are an increasing number of issues that will require considerable complex legal work in the future.

The Agency's budget is funded by contributions from the tribes. Under the Tribal State Compacts, the tribes are not required to make any other contributions to the State of Kansas. The only exception to the tribes funding the costs of the Agency occurs if the Agency is ordered to pay any expenses of arbitration. In FY 2003 arbitration expenses amounted to \$2900.

Each year at the end of July, the Agency determines its budget, subtracts any funds unspent from the previous fiscal year, and then sends a letter of assessment to each tribe. Along with the assessment letter, the Agency includes a copy of each tribe's account and a list of each and every voucher used to pay Agency expenses during the past fiscal year. This list

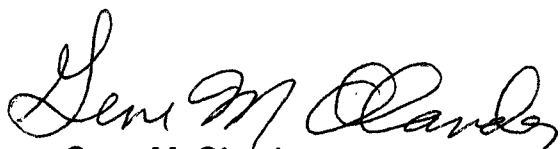
includes an explanation of each expense. The tribes have a period to object to their assessments. Assessments are due September 21, January 1, and April 1 of each year. As of this date, each tribe is paid up to date. There was one objection to the FY 2004 assessment. That objection was resolved by submitting a more detailed explanation.

Previously, the tribes were each assessed three equal payments over the year. As a result of an arbitration that was completed during FY 2003, the first assessment due in September is now adjusted. The payment is adjusted to reflect the cost of conducting background investigations for each tribe. The casinos vary widely in size and in numbers of employees. Consequently, the numbers of background investigations also vary widely. This disparity is now accounted for in the first assessment of the fiscal year. The other two assessment amounts are equal among the tribes.

There is currently one arbitration request outstanding. The request was made by the Agency. It involves, in part, a disagreement over whether the Agency has the right to inspect electronic gaming devices as well as defining the items to be inspected. The Agency is currently in negotiations aimed at a settlement of the issues.

In these early days of the 2004 Legislature, it is clear that the expansion of gambling is one of the many important topics to be considered. One of the proposals is a consortium involving the Kickapoo and Sac and Fox tribes in Kansas to build and operate a destination casino in Wyandotte County. If this proposal becomes a reality, the Agency will undergo some dramatic changes and expansion in a short time to fulfill those additional responsibilities.

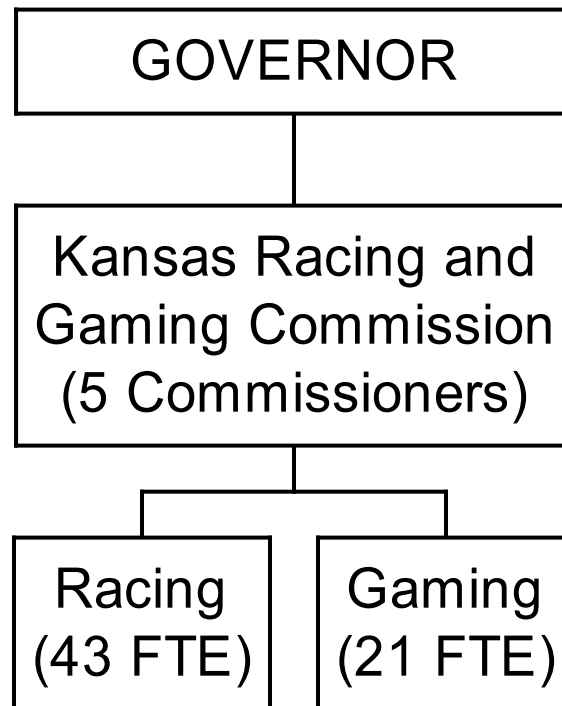
Sincerely,



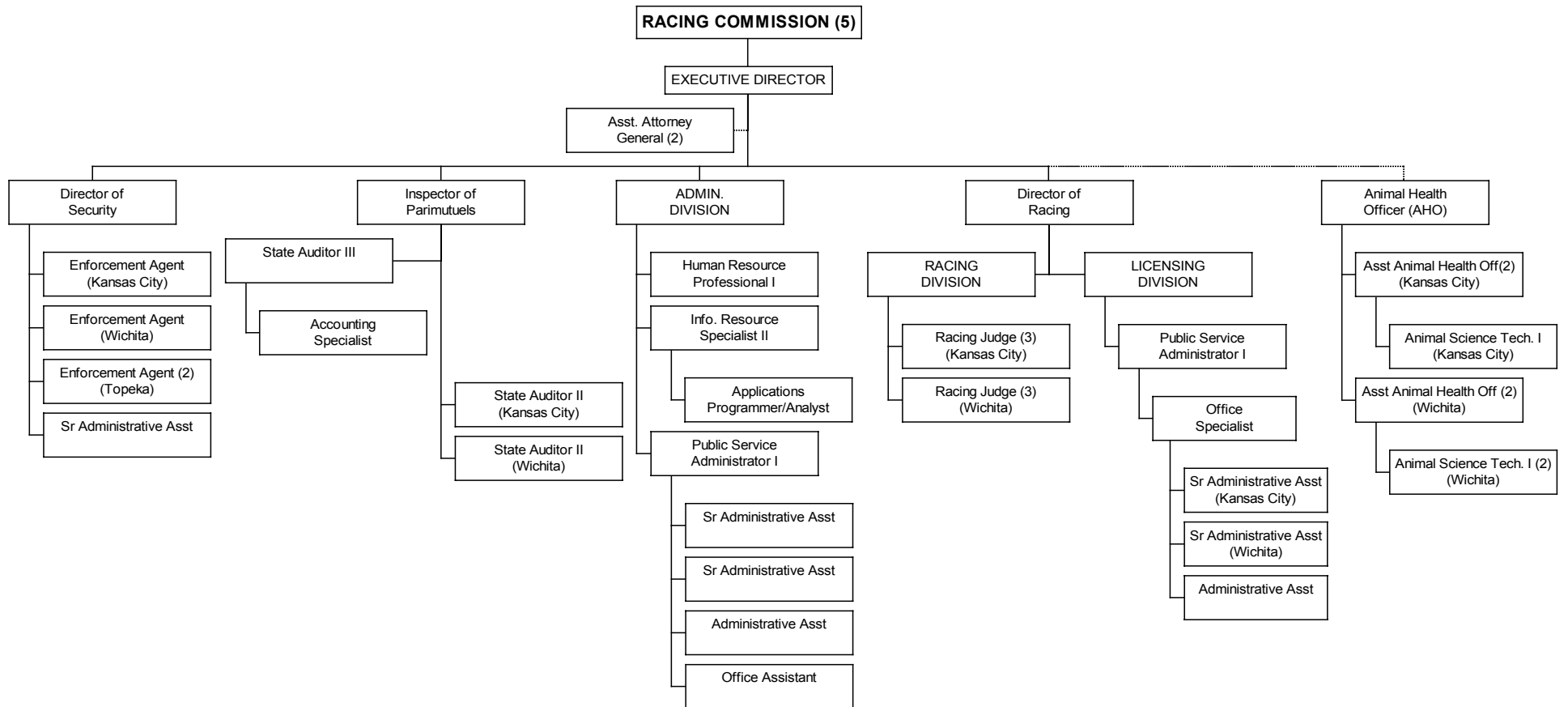
Gene M. Olander  
Chair  
Kansas Racing and Gaming Commission



John E. McElroy  
Executive Director  
State Gaming Agency



# KANSAS RACING AND GAMING COMMISSION

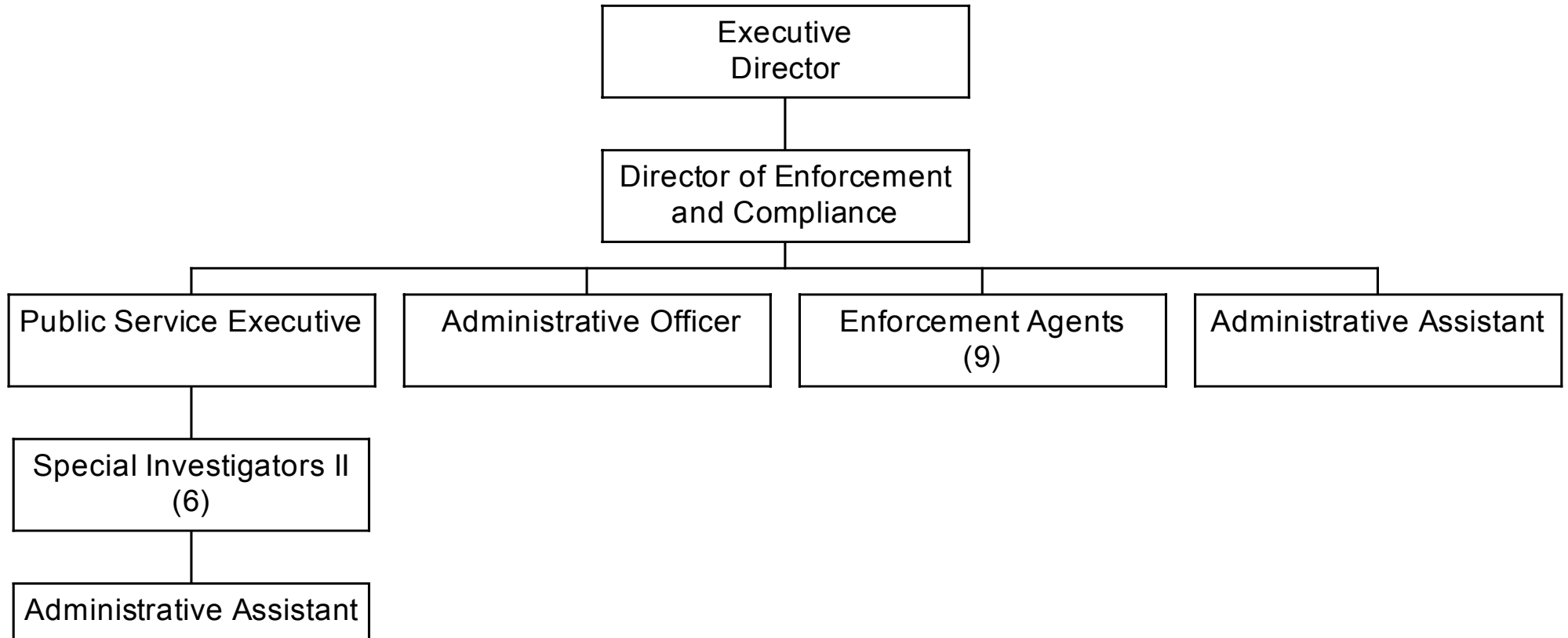


\* The Assistant Attorney General positions report to the Attorney General's Office but are counted in the Racing Commission's FTE allotment. The Executive Director supervises the day-to-day legal operation duties.

\*\* The Animal Health Officers are under the direction of the Racing Commission and supervised by the Executive Director.

Note: Camptown Greyhound Park in Frontenac, Kansas, ceased operations in November 2000.

# STATE GAMING AGENCY



## Kansas Racing and Gaming Commissioners

Gene M. Olander  
Chair  
Topeka, Kansas

Randall K. Rathbun  
Commissioner  
Wichita, Kansas

Leslie Hess  
Commissioner  
Dodge City, Kansas

Carol Sader  
Commissioner  
Prairie Village, Kansas

Stanley M. Teeter, DVM  
Commissioner  
Topeka, Kansas

## Racing Program Executive Staff

Tracy T. Diel  
Executive Director

Frances K. Snell  
Director of Racing

D. Bryce Peckham, DVM  
Animal Health Officer

James Glackin  
Assistant Attorney General

Stephen Durrell  
Assistant Attorney General

Kit A. Bostrom  
Director of Licensing

## **Racing Program Offices**

### **Topeka Office**

Kansas Racing and Gaming Commission  
3400 S.W. Van Buren Street  
Topeka, Kansas 66611-2228  
Phone: (785) 296-5800  
Fax: (785) 296-0900  
Homepage: [www.accesskansas.org/krc](http://www.accesskansas.org/krc)  
E-mail: [kracing@cjnetworks.com](mailto:kracing@cjnetworks.com)

### **Field Offices**

Kansas Racing and Gaming Commission  
c/o The Woodlands  
P.O. 12694  
99th Street and Leavenworth Road  
Kansas City, Kansas 66112  
Phone: (913) 788-3621  
Fax: (913) 788-3881  
E-mail: [kracing@kcinter.net](mailto:kracing@kcinter.net)

Kansas Racing and Gaming Commission  
c/o Wichita Greyhound Park  
P.O. Box 425  
1500 East 77th Street North  
Valley Center, Kansas 67147-0277  
Phone: (316) 755-2736  
Fax: (316) 755-3294  
E-mail: [racing@earthlink.net](mailto:racing@earthlink.net)

## Gaming Program Executive Staff

John E. McElroy, JD, CFE  
Executive Director

Don Brownlee  
Director of Enforcement and Compliance

## Gaming Program Offices

### Topeka Office

State Gaming Agency  
701 S.W. Jackson Street  
Suite 200  
Topeka, Kansas 66603-3729  
Phone: (785) 368-6202  
Fax: (785) 291-3798  
Homepage: [www.ksgaming.org](http://www.ksgaming.org)  
E-mail: See e-mail address list on website

**Racing and Gaming Commission Fund Activity**  
Fiscal Years 2002 and 2003

	<i>State Racing Fund</i>	<i>Horse Fair Racing Benefit Fund</i>	<i>Horse Breeding Development Fund</i>	<i>Racing Investigative Expense Fund</i>	<i>Greyhound Breeding Development Fund</i>	<i>Racing Reimbursable Expense Fund</i>	<i>Racing Applicant Deposit Fund</i>	<i>Tribal Gaming Fund</i>	<i>Totals</i>
<b>FY 2002</b>									
Beginning balance (7-1-01)	\$ 473,918	\$ 526,024	\$ 196,560	\$ 19,892	\$ 405,007	\$ 30,936	\$ 793	\$ 686,867	\$ 2,339,997
Prior period adjustments	4,534	4,466	-	-	-	-	-	(214,241)	(205,241)
<b>Receipts</b>									
Revenue	3,074,887	951,528	480,161	3,840	347,356	26,445	22	907,551	5,791,790
Operating transfer	78,418	-	-	-	-	-	-	-	78,418
General Fund transfer	-	-	-	-	-	-	-	450,000	450,000
<b>Disbursements</b>									
Operating expenditures	(2,731,634)	(1,054,408)	(472,879)	(3,840)	(458,252)	(25,886)	-	(1,104,705)	(5,851,604)
State Gaming Revenue Fund transfer	(343,724)	-	-	-	-	-	-	-	(343,724)
Operating transfer	-	(78,418)	-	-	-	-	-	-	(78,418)
Greyhound Tourism Fund transfer	-	-	-	-	(53,103)	-	-	-	(53,103)
General Fund transfer	(4,839)	-	-	-	-	-	-	(302,083)	(306,922)
Ending balance (6-30-02)	<u>\$ 551,560</u>	<u>\$ 349,192</u>	<u>\$ 203,842</u>	<u>\$ 19,892</u>	<u>\$ 241,008</u>	<u>\$ 31,495</u>	<u>\$ 815</u>	<u>\$ 423,389</u>	<u>\$ 1,821,193</u>
<hr/>									
<b>FY 2003</b>									
Beginning balance (7-1-02)	\$ 551,560	\$ 349,192	\$ 203,842	\$ 19,892	\$ 241,008	\$ 31,495	\$ 815	\$ 423,389	\$ 1,821,193
Prior period adjustments	12,375	9,661	750	-	-	-	-	(22,774)	12
<b>Receipts</b>									
Revenue	3,136,904	949,240	517,719	-	355,737	36,289	13	1,315,849	6,311,751
Operating transfer	-	-	-	-	-	-	-	-	-
General Fund transfer	-	-	-	-	-	-	-	450,000	450,000
<b>Disbursements</b>									
Operating expenditures	(2,750,158)	(943,713)	(519,444)	-	(173,240)	(36,450)	-	(1,185,462)	(5,608,467)
State Gaming Revenue Fund transfer	(481,035)	-	-	-	-	-	-	-	(481,035)
Operating transfer	-	-	-	-	-	-	-	-	-
Greyhound Tourism Fund transfer	-	-	-	-	(52,361)	-	-	-	(52,361)
General Fund transfer	(3,423)	(115,000)	-	-	-	-	-	(150,000)	(153,538)
KSIP expenditures	(20,972)	-	-	-	-	-	-	-	(20,972)
Ending balance (6-30-03)	<u>\$ 445,251</u>	<u>\$ 364,265</u>	<u>\$ 202,867</u>	<u>\$ 19,892</u>	<u>\$ 371,144</u>	<u>\$ 31,334</u>	<u>\$ 828</u>	<u>\$ 831,002</u>	<u>\$ 2,287,555</u>

## **Racing and Gaming Commission Funds**

### **Fiscal Year 2003**

#### **State Racing Fund - K.S.A. 74-8826**

All taxes on live parimutuel wagering, admissions tax, application fees, license fees, and fines that were collected by the Commission were credited to the State Racing Fund. Two-thirds of the parimutuel taxes on simulcast performances were credited to the State Racing Fund. All operating expenses of the Commission were paid from the State Racing Fund.

#### **Horse Fair Racing Benefit Fund - K.S.A. 74-8838**

This fund's revenue is derived from one-third of the parimutuel taxes from simulcast races. The Commission distributes monies from the fund for expenses related to the conduct of race meets conducted by a fair association or horsemen's nonprofit organization.

#### **Horse Breeding Development Fund - K.S.A. 74-8829**

This fund's revenue is derived from breakage and unclaimed winning tickets from live and simulcast horse performances. The funds are distributed by the Commission for purse supplements, stakes races, and breed awards to animals registered in the Kansas Bred program. There are also equine research grants awarded by the Commission.

#### **Racing Investigative Expense Fund - K.S.A. 74-8835**

All expenses of investigation of an applicant's qualifications for an organization license, facility owner license or facility manager license are paid from this fund. Whenever another state agency assists the Commission in investigations and incurs costs in addition to those attributed to operations of the agency, those costs are paid from this fund. The applicant reimburses the Commission for all costs related to their investigation.

#### **Greyhound Breeding Development Fund - K.S.A. 74-8831**

This fund's revenue is derived from unclaimed winning tickets from greyhound races. Fifteen percent of the receipts are transferred to the Greyhound Tourism Fund. Thirty-five percent of the receipts are used to fund research conducted within the State of Kansas relating to the prevention of injury and disease of greyhounds. Fifty percent of the receipts are returned to the track where they were used to supplement stakes races for Kansas-whelped greyhounds.

#### **Racing Reimbursable Expense Fund - K.S.A. 74-8827**

All fees for processing fingerprints of licensees are deposited to this fund. The expenses incurred for the processing of fingerprints of licensees are paid from this fund.

## **Racing and Gaming Commission Funds**

### **Fiscal Year 2003**

#### **Racing Applicant Deposit Fund - K.S.A. 74-8828**

An applicant proposing to construct a racetrack facility is required at the time of making application to make a deposit. If the racetrack is constructed in accordance with the terms of the application, the deposit and interest are refunded. If the applicant fails to complete the racetrack facility in accordance with terms, the deposit and interest are forfeited by the applicant.

#### **Tribal Gaming Fund - K.S.A. 74-9808**

All amounts collected by the state gaming agency pursuant to tribal-state gaming compacts are deposited to this fund. All operating expenses of the state gaming agency are paid from this fund.

## **Departments of the Commission**

### **Licensing**

The Licensing Division ensures the integrity of racing and wagering in Kansas by identifying, licensing and conducting background checks on individuals who work at the racetrack facility and owners of the racing animals. These individuals are required to obtain an occupation license and undergo a background check before working or racing animals at the facility. In addition, licenses are granted to facility owners, facility managers, non-profit organizations, concessionaires, racing and wagering equipment and services, and simulcasting entities. Officers, directors and owners of these entities are subject to background investigations before a license is granted by the Commission.

#### Occupation Licenses

There were over 3,600 occupation licenses in 2002 and over 3,700 occupation licenses in 2003 issued to industry personnel and racetrack personnel during the license year. One-year and three-year occupation licenses were issued in different license categories for the race meets at the Woodlands, Wichita Greyhound Park and the county fairs. Over 600 sets of fingerprints in 2002 and over 625 sets of fingerprints in 2003 were submitted to the Kansas Bureau of Investigation for background checks. Licensees were able to participate in the fingerprint reciprocity program in lieu of submitting fingerprint cards. Licensees submitted over 500 reciprocity forms for 13 different racing jurisdictions in both 2002 and 2003 that were recognized by the commission. These reciprocity records were then verified with the specific jurisdiction in order to complete the background check on the licensee.

#### Registrations

Stable names, kennel names, corporations, partnerships, syndicates and other entities that own racing animals, which participated in racing in Kansas, were required to register with the commission. Entities filed over 400 registrations during the 2002 license year and over 450 registrations in 2003. Owners of these entities were required to obtain an occupation license.

#### Concessionaire and Racing and Wagering Equipment and Services Licenses

Concessionaire licenses are required before any entity may sell goods or services at a racetrack facility. There were 115 concessionaire licenses granted in 2002 to entities providing animal feed, tack and supplies as well as food and beverage concessions and video and photo finish products. Also included in these were 1-3 day Special Class Concessions for special events such as craft shows, train shows, etc. In 2003, 69 concessionaire licenses were issued to entities. United Tote held a valid Racing and Wagering Equipment and Services license during the 2002 and 2003 racing seasons.

## Departments of the Commission

### Animal Health

The Kansas parimutuel racing act provides that the commission appoint an animal health officer and assistants to advise the commission in matters of veterinary medicine. At all times they are to serve and protect the health and well being of the racing animals. The animal health officer serves on the commission staff in Topeka, and two assistants serve at each racetrack.

The animal health officers are responsible for conducting veterinary services for racing animals. This includes physical examinations prior to racing and observation for lameness, illness, or any other condition which would prevent the animal from racing to its potential. They are also responsible for treating emergencies of a veterinary nature encountered during the running of the race. In consultation with the racing judges or stewards, the animal health officers help determine which animals may be scratched from racing due to injury, disease, or disability.

Racing animals are subject to drug testing to deter the use of drugs to influence the outcome of a race. The animal health officer at each track is charged with obtaining blood and/or urine samples to be submitted to the official testing laboratory. A concerted effort is made to obtain the desired specimens from the animals and deliver them to the laboratory under strict chain of custody procedures so that a given specimen is unadulterated and from the identified animal.

During 2001 and 2002, the racing chemistry was performed by Truesdail Laboratories in Tustin, California. The results of their testing are as follows:

<u>Source</u>	<u>Urine</u>	<u>Blood</u>	<u>Total</u>	<u>Number of Positives</u>
2002				
Equine	852	889	1,741	3
Greyhound	10,060	0	10,060	12
2003				
Equine	1,021	1,057	2,078	13
Greyhound	9,583	0	9,583	26

## **Departments of the Commission**

### **Racing Division**

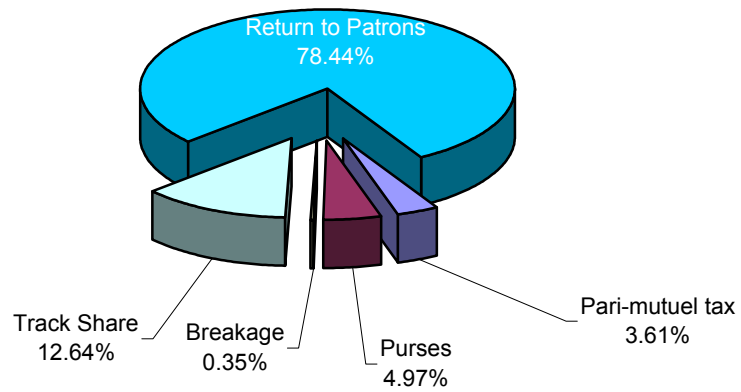
Parimutuel wagering and racing activities at each racetrack is under the general authority and supervision of the Commission's appointed greyhound racing judges and horse racing stewards. The judges/stewards may interpret the regulations and order appropriate action to ensure a fair race and to protect the best interests of racing. The stewards and judges conduct administrative hearings; levy penalties on licensees; observe each race to ensure races are conducted in accordance with the regulations; determine the official winner and respective positions; maintain a detailed written account of each question, dispute, protest, complaint and objection; excuse any racing animal that is unfit or ineligible to run; submit and file for each performance a written judges/stewards report for each performance to the commission office.

### **Security Division**

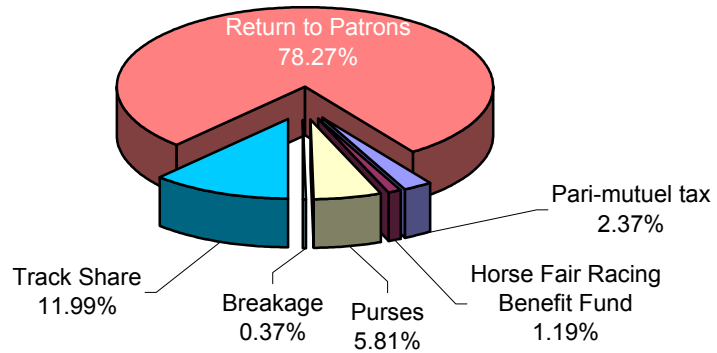
Security personnel are vested with the power and authority of law enforcement officers in the execution of the duties imposed upon the commission by the provision of the parimutuel racing act. The division's goal is to ensure licensees involved in racing activities are honest, to be proactive and responsive to confidential information concerning potential illegal activities, and to eliminate and/or reduce the potential for accidents. The commission appointees serving as security personnel work towards achieving the goal by investigating violations of the race act, conducting search and seizures, and enforcing all criminal laws of the State. The security personnel also conduct background investigations for various management positions within the racing industry as well as those for all commission employees.

# The Wagering Dollar

## Live Racing - 2002

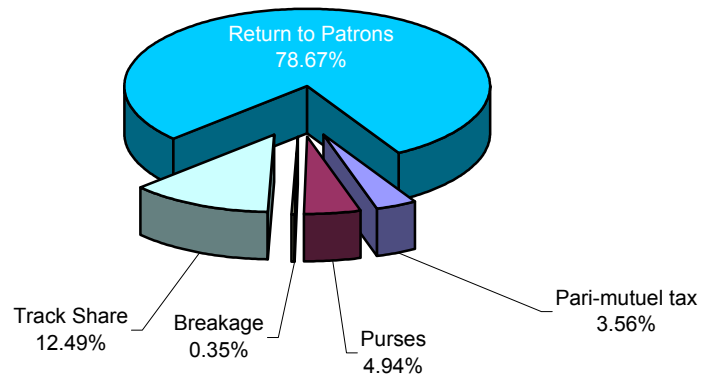


## Simulcast Racing - 2002

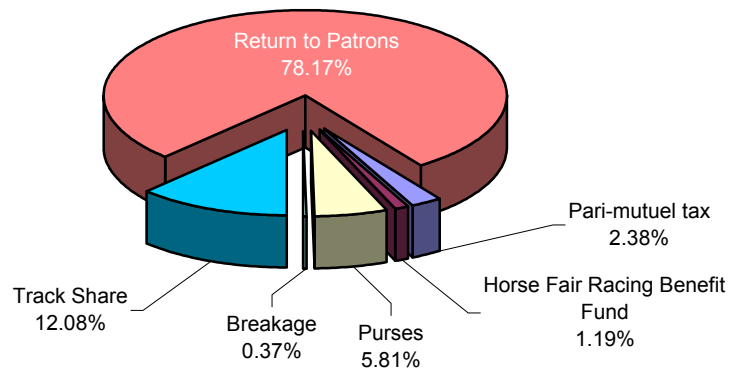


# The Wagering Dollar

## Live Racing - 2003



## Simulcast Racing - 2003



**Track Statistics**  
For Calendar Years 2002 and 2003

Handle	Woodlands Kansas City, KS		Wichita Greyhound Park Valley Center, KS		Camptown Frontenac, KS
	2002	2003	2002	2003	n/a
Live					
Horse	\$ 1,444,487	\$ 1,849,327	\$ -	\$ -	\$ -
Greyhound	13,636,774	14,880,892	11,610,357	9,436,065	-
Total live handle	15,081,261	16,730,219	11,610,357	9,436,065	-
Simulcast					
Horse	38,291,077	35,409,882	13,152,204	11,870,109	-
Greyhound	15,971,408	13,517,111	16,100,587	14,063,898	-
Total simulcast handle	54,262,485	48,926,993	29,252,791	25,934,007	-
Total handle	<u>\$ 69,343,746</u>	<u>\$ 65,657,212</u>	<u>\$ 40,863,148</u>	<u>\$ 35,370,072</u>	<u>\$ -</u>
<b>Outbound Simulcast Handle</b>					
Live Horse	\$ 1,455,687	\$ 4,060,189	\$ -	-	-
Live Greyhound	2,341,232	5,095,735	2,080,849	-	-
Total Outbound Simulcast	<u>\$ 3,796,919</u>	<u>\$ 9,155,924</u>	<u>\$ 2,080,849</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Purses</b>					
Live					
Horse	\$ 98,562	\$ 127,126	\$ -	\$ -	\$ -
Greyhound	645,294	704,371	556,664	452,776	-
Total live purses	743,856	831,497	556,664	452,776	-
Simulcast					
Horse	1,622,106	1,504,747	191,104	172,448	-
Greyhound	1,528,823	1,336,997	1,509,095	1,335,216	-
Total simulcast purses	3,150,929	2,841,744	1,700,199	1,507,664	-
Total purses	<u>\$ 3,894,785</u>	<u>\$ 3,673,241</u>	<u>\$ 2,256,863</u>	<u>\$ 1,960,440</u>	<u>\$ -</u>
<b>Race days</b>					
Live					
Horse	25	30	-	-	-
Greyhound	257	250	254	239	-
Total race days	<u>282</u>	<u>280</u>	<u>254</u>	<u>239</u>	<u>-</u>
<b>Performances</b>					
Live					
Horse	25	30	-	-	-
Greyhound	333	321	305	286	-
Total live performances	358	351	305	286	-
Simulcast					
Horse	3,573	4,192	4,153	4,978	-
Greyhound	3,894	4,411	6,468	6,548	-
Total simulcast performances	7,467	8,603	10,621	11,526	-
Total performances	<u>7,825</u>	<u>8,954</u>	<u>10,926</u>	<u>11,812</u>	<u>-</u>
<b>Attendance</b>					
Live/simulcast					
Horse	37,029	42,214	N/A	N/A	N/A
Greyhound	262,159	289,367			
Total attendance	<u>299,188</u>	<u>331,581</u>	<u>-</u>	<u>-</u>	<u>-</u>

**Track Statistics**  
For Calendar Years 2002 and 2003

Handle	Eureka Downs Eureka, Kansas		Anthony Downs Anthony, Kansas	
	2002	2003	2002	2003
Live				
Horse	\$ 291,934	\$ 306,606	\$ 88,261	\$ 112,788
Greyhound	-	-	80,136	69,011
Total live handle	291,934	306,606	168,397	181,799
Simulcast				
Horse	164,778	159,803	-	-
Greyhound	-	-	-	-
Total simulcast handle	164,778	159,803	-	-
Total handle	\$ 456,712	\$ 466,409	\$ 168,397	\$ 181,799
<b>Outbound Simulcast Handle</b>				
Live Horse	-	-	-	-
Live Greyhound	-	-	-	-
Total Outbound Simulcast	\$ -	\$ -	\$ -	\$ -
<b>Purses</b>				
Live				
Horse	\$ 19,542	\$ 20,502	\$ 5,990	\$ 7,698
Greyhound	-	-	3,754	3,231
Total live purses	19,542	20,502	9,744	10,929
Simulcast				
Horse	9,576	9,290	-	-
Greyhound	-	-	-	-
Total simulcast purses	9,576	9,290	-	-
Total purses	\$ 29,118	\$ 29,792	\$ 9,744	\$ 10,929
<b>Race days</b>				
Live				
Horse	20	21	6	6
Greyhound	-	-	6	6
Total race days	20	21	12	12
<b>Performances</b>				
Live				
Horse	20	21	6	6
Greyhound	-	-	6	6
Total live performances	20	21	12	12
Simulcast				
Horse	51	51	-	-
Greyhound	-	-	-	-
Total simulcast performances	51	51	-	-
Total performances	71	72	12	12
<b>Attendance</b>				
Live/simulcast				
Horse	6,416	8,610	2,181	1,473
Greyhound	-	-	2,181	1,472
Total attendance	6,416	8,610	4,361	2,945

# Track Statistics

For Calendar Years 2002 and 2003

Handle	Overall Totals	
	2002	2003
Live		
Horse	\$ 1,824,682	\$ 2,268,721
Greyhound	25,327,267	24,385,968
Total live handle	27,151,949	26,654,689
Simulcast		
Horse	51,608,059	47,439,794
Greyhound	32,071,995	27,581,009
Total simulcast handle	83,680,054	75,020,803
Total handle	\$ 110,832,003	\$ 101,675,492
<b>Outbound Simulcast Handle</b>		
Live Horse	\$ 1,455,687	\$ 4,060,189
Live Greyhound	4,422,081	5,095,735
Total Outbound Simulcast	\$ 5,877,768	\$ 9,155,924
<b>Purses</b>		
Live		
Horse	\$ 124,094	\$ 155,326
Greyhound	1,205,712	1,160,378
Total live purses	1,329,806	1,315,704
Simulcast		
Horse	1,822,786	1,686,485
Greyhound	3,037,918	2,672,213
Total simulcast purses	4,860,704	4,358,698
Total purses	\$ 6,190,510	\$ 5,674,402
<b>Race days</b>		
Live		
Horse	51	57
Greyhound	517	495
Total race days	568	552
<b>Performances</b>		
Live		
Horse	51	57
Greyhound	644	613
Total live performances	695	670
Simulcast		
Horse	7,777	9,221
Greyhound	10,362	10,959
Total simulcast performances	18,139	20,180
Total performances	18,834	20,850
<b>Attendance</b>		
Live/simulcast		
Horse	45,626	52,297
Greyhound	264,340	290,839
Total attendance	309,965	343,136

**Track Statistics**  
For Calendar Years 2002 and 2003

	<b>Woodlands Kansas City Kansas</b>		<b>Wichita Greyhound Park Valley Center, Kansas</b>		<b>Camptown Frontenac, KS</b>
	<b>2002</b>	<b>2003</b>	<b>2002</b>	<b>2003</b>	<b>n/a</b>
<b>Pari-mutuel tax</b>					
Live					
Horse	\$ 49,278	\$ 63,560	\$ -	\$ -	\$ -
Greyhound	483,845	528,152	417,372	339,460	-
Total live pari-mutuel tax	533,123	591,712	417,372	339,460	-
Simulcast					
Horse	1,275,164	1,191,312	470,999	427,357	-
Greyhound	608,293	516,652	613,196	540,258	-
Total simulcast pari-mutuel tax	1,883,457	1,707,964	1,084,195	967,615	-
Total pari-mutuel tax	<u>\$ 2,416,580</u>	<u>\$ 2,299,676</u>	<u>\$ 1,501,567</u>	<u>\$ 1,307,075</u>	<u>\$ -</u>
<b>Outs</b>					
Live					
Horse	\$ 11,888	\$ 12,583	\$ -	\$ -	\$ -
Greyhound	113,538	n/a	94,809	n/a	-
Total live outs	125,426	12,583	94,809	-	-
Simulcast					
Horse	171,760	n/a	64,876	n/a	-
Greyhound	78,565	n/a	67,988	n/a	-
Total simulcast outs	250,325	-	132,864	-	-
Total outs	<u>\$ 375,751</u>	<u>\$ 12,583</u>	<u>\$ 227,673</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Breakage</b>					
Live					
Horse	\$ 9,929	\$ 10,360	\$ -	\$ -	\$ -
Greyhound	49,242	53,908	29,876	24,428	-
Total live breakage	59,171	64,268	29,876	24,428	-
Simulcast					
Horse	195,353	176,221	50,562	46,164	-
Greyhound	32,201	29,857	26,058	21,933	-
Total simulcast breakage	227,554	206,078	76,620	68,097	-
Total breakage	<u>\$ 286,725</u>	<u>\$ 270,346</u>	<u>\$ 106,496</u>	<u>\$ 92,525</u>	<u>\$ -</u>
<b>Admission tax</b>					
Live/Simulcast					
Horse	n/a	n/a	n/a	n/a	n/a
Greyhound	28,428				
Total admission tax	<u>\$ 28,428</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Other taxes &amp; fees</b>					
Daily license fees	\$ 62,200	\$ 62,000	\$ 72,400	\$ 71,600	-
Licensing	33,119	76,102	10,618	21,209	-
Fines	8,855	9,570	11,456	8,255	-
Local ad valorem tax	-	-	-	-	-
Total other taxes & fees	<u>\$ 104,174</u>	<u>\$ 147,672</u>	<u>\$ 94,474</u>	<u>\$ 101,064</u>	<u>\$ -</u>

**Track Statistics**  
For Calendar Years 2002 and 2003

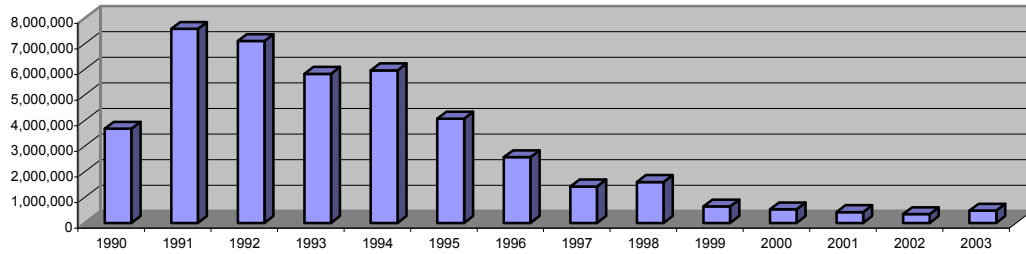
	Eureka Downs Eureka, Kansas		Anthony Downs Anthony, Kansas	
	2002	2003	2002	2003
<b>Pari-mutuel tax</b>				
Live				
Horse	\$ 9,769	\$ 10,255	\$ 2,997	\$ 3,851
Greyhound	-	-	2,816	2,424
Total live pari-mutuel tax	9,769	10,255	5,813	6,275
Simulcast				
Horse	5,240	5,015	-	-
Greyhound	-	-	-	-
Total simulcast pari-mutuel tax	5,240	5,015	0	0
Total pari-mutuel tax	\$ 15,009	\$ 15,270	\$ 5,813	\$ 6,275
<b>Outs</b>				
Live				
Horse	\$ 5,273	\$ 4,437	\$ 1,002	\$ 941
Greyhound	-	-	838	1,154
Total live outs	5,273	4,437	1,840	2,095
Simulcast				
Horse	1,163	1,108	-	-
Greyhound	-	-	-	-
Total simulcast outs	1,163	1,108	-	-
Total outs	\$ 6,436	\$ 5,545	\$ 1,840	\$ 2,095
<b>Breakage</b>				
Live				
Horse	\$ 3,042	\$ 3,280	\$ 992	\$ 1,043
Greyhound	-	-	402	363
Total live breakage	3,042	3,280	1,394	1,406
Simulcast				
Horse	1,053	958	-	-
Greyhound	-	-	-	-
Total simulcast breakage	1,053	958	-	-
Total breakage	\$ 4,095	\$ 4,238	\$ 1,394	\$ 1,406
<b>Admission tax</b>				
Live/Simulcast				
Horse	\$ 1,106	\$ 1,513	\$ 533	\$ 363
Greyhound	-	-	533	364
Total admission tax	\$ 1,106	\$ 1,513	\$ 1,066	\$ 727
<b>Other taxes &amp; fees</b>				
Daily license fees	\$ 2,000	\$ 2,100	\$ 600	\$ 600
Licensing	4,626	7,914	556	1,216
Fines	1,200	3,200	-	550
Local ad valorem tax	1,283	1,722	872	589
Total other taxes & fees	\$ 9,109	\$ 14,936	\$ 2,028	\$ 2,955

**Track Statistics**  
For Calendar Years 2002 and 2003

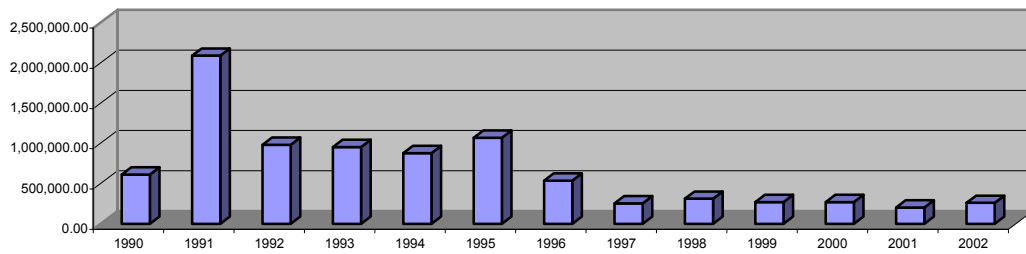
	<b>Overall Totals</b>	
	<b>2002</b>	<b>2003</b>
<b>Pari-mutuel tax</b>		
Live		
Horse	\$ 62,044	\$ 77,666
Greyhound	904,033	870,036
Total live pari-mutuel tax	966,077	947,702
Simulcast		
Horse	1,751,403	1,623,684
Greyhound	1,221,489	1,056,910
Total simulcast pari-mutuel tax	2,972,892	2,680,594
Total pari-mutuel tax	\$ 3,938,969	\$ 3,628,296
<b>Outs</b>		
Live		
Horse	\$ 18,163	\$ 17,961
Greyhound	209,185	n/a
Total live outs	227,348	19,115
Simulcast		
Horse	237,799	n/a
Greyhound	146,553	n/a
Total simulcast outs	384,352	1,108
Total outs	\$ 611,700	\$ 20,223
<b>Breakage</b>		
Live		
Horse	\$ 13,963	\$ 14,683
Greyhound	79,520	78,699
Total live breakage	93,483	93,382
Simulcast		
Horse	246,968	223,343
Greyhound	58,259	51,790
Total simulcast breakage	305,227	275,133
Total breakage	\$ 398,710	\$ 368,515
<b>Admission tax</b>		
Live/Simulcast		
Horse	\$ 1,639	\$ 1,876
Greyhound	28,961	364
Total admission tax	\$ 30,600	\$ 2,240
<b>Other taxes &amp; fees</b>		
Daily license fees	\$ 137,200	\$ 136,300
Licensing	48,919	106,441
Fines	21,511	21,575
Local ad valorem tax	2,155	2,311
Total other taxes & fees	\$ 209,785	\$ 266,627

# Benefits of Parimutuel Racing

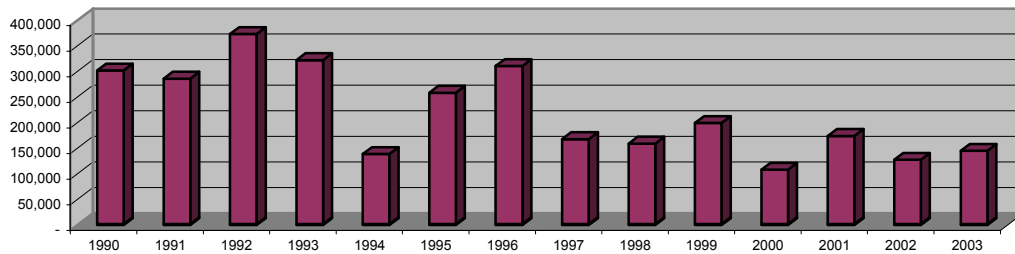
## Transfers to State Gaming Revenue Fund



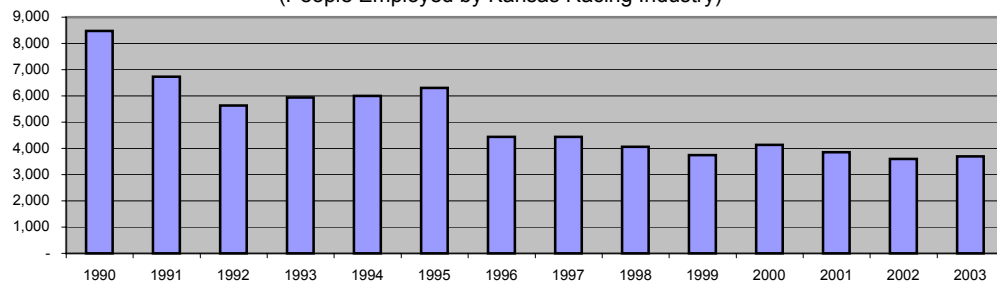
## Charitable Contributions



## Research Grants Funded



## Occupational Licenses Issued (People Employed by Kansas Racing Industry)



## CHARITABLE CONTRIBUTIONS

The Kansas parimutuel racing act directs that each organization licensee must distribute net earnings to 501(c)(3) nonprofits who are domiciled in and who will expend the monies in Kansas. The following schedule indicates the amount of charitable contributions by each organization licensee:

	Calendar Year	
	<u>2002</u>	<u>2003</u>
TRAK East	\$134,950.00	\$ 75,878.59
Wichita Greyhound Charities, Inc.	\$125,932.00	\$105,404.00

TRAK East is associated with the Woodlands Race Course and Woodlands Kennel Club. Wichita Greyhound Charities, Inc. is associated with Wichita Greyhound Park. The following reflects how these charitable distributions improve the quality of life for Kansans:

### TRAK EAST, INC.

#### (17 CONTRIBUTIONS)

8 <sup>th</sup> Street YMCA	\$ 3,500.00
Big Brothers/Big Sisters of Greater Kansas City	2,000.00
Cancer Action	4,000.00
Caritas Clinics	10,000.00
Catholic Charities	2,500.00
City Vision Ministries	4,000.00
Developmental Services of NW Kansas	2,500.00
Donnelly College	7,500.00
Grinter Place Friends	1,734.80
Heart of America Family Services	5,500.00
Kaw Valley Center	3,500.00
Leavenworth Road Association	5,000.00
SAFEHOME	3,643.79
Salina Emergency Aid/Food Bank	3,000.00
Temporary Lodging for Children	5,000.00
Wyandotte County Parks Foundation	7,500.00
Youth Opportunities Unlimited	<u>5,000.00</u>
Total	\$75,878.59

## CHARITABLE CONTRIBUTIONS

### WICHITA GREYHOUND CHARITIES, INC.

#### (36 CONTRIBUTIONS)

Botanica – The Wichita Gardens	\$ 3,000.00
Boys and Girls Club of Manhattan	1,600.00
CASA: A Voice for Children	2,500.00
Catholic Charities, Inc.	2,925.00
Creative Community Living	2,650.00
Exploration Place	2,000.00
Gove County Healthcare Endowment Foundation	3,000.00
Hesston College	3,000.00
Kansas African American Museum	3,000.00
Kansas Public Telecommunications Service, Inc.	3,086.00
Kansas Starbase	2,700.00
KETCH	2,450.00
Leukemia & Lymphoma Society	2,790.00
Make-A-Wish Foundation of Kansas, Inc.	5,000.00
Maude Carpenter Children's Center	1,362.00
Metropolitan Ballet of Topeka	2,500.00
Metropolitan Ballet of Wichita	2,500.00
Newman University	2,000.00
Newton Meals on Wheels, Inc.	3,020.00
Paws-Up, Inc.	2,870.00
Prairie View, Inc.	3,200.00
Race the Wind Greyhound Adoption, Inc.	3,000.00
Roots & Wings	2,700.00
Salina Emergency Aid/Food Bank, Inc.	3,000.00
Salina Community Theatre	1,585.00
SIDS Network of Kansas	4,980.00
Susan G. Komen Breast Cancer Foundation	3,495.00
TLC Greyhound Adoption	2,000.00
Wellington Academy/Homeplus, Inc.	3,000.00
Wichita Area Girl Scouts	3,043.00
Wichita Art Museum	6,938.00
Wichita Black Arts Festival Association	3,000.00
Wichita Convention & Sports Foundation	3,000.00
Wichita Festivals, Inc.	2,400.00
Wichita Jazz Festival, Inc.	3,000.00
Youth Horizons	3,110.00
Total	<u>\$105,404.00</u>